

## **REMARKS**

Claims 1-8 are currently pending and Claims 1-8 are amended hereby. Support for these amendments can be found in the specification, drawings and claims as filed. No new matter has been added by these amendments. Claims 1-8 have been rejected and Claims 5-8 have been objected to by the Examiner in an Office Action dated November 16, 2007. This Amendment and Response constitutes Applicants' reply to that Office Action. As set forth more fully below, reconsideration and withdrawal of all of the Examiner's claim rejections and objections is respectfully requested.

### Information Disclosure Statement

The Examiner notes that the listing of references in the Specification is not a proper information disclosure statement and notes further that, unless the references cited in the Specification are provided in an Information Disclosure Statement, they will not be considered by the Examiner. An Information Disclosure Statement, on form PTO/SB/08a, is submitted herewith.

### Specification

The Examiner has objected to the Abstract of the Specification and has required correction. The Examiner has also objected to the Specification in a general sense, noting that it is not in the format typically used in U.S. practice, and has also specifically objected to an embedded hyperlink and/or other form of browser-executable code present in the Specification. A Substitute Specification, containing the amendments required and suggested by the Examiner, is submitted herewith pursuant to 37 C.F.R. §§ 1.121(3) and 1.125. A version with markings, showing the changes made, and an accompanying clean version (without markings), is appended to this Amendment and Response. No new matter has been added in the Substitute Specification. Please substitute the appended Substitute Specification for the Specification that was originally filed.

### Claim Objections

The Examiner has objected to Claims 1-8 because they include reference characters not enclosed within parentheses. Applicants note that Claims 1-8 have been amended to remove the reference characters and/or to enclose the reference characters in parentheses. Reconsideration and removal of this objection is respectfully requested.

The Examiner has also objected to Claims 5-8 under 37 C.F.R. 1.75(c) as being in improper form as a multiple dependent claim can not depend from any other multiple dependent claim. Applicants note that on August 14, 2003 a First preliminary Amendment was filed with the Office in this matter that amended Claims 5-8 to remove the multiple dependencies referred to by the Examiner. Therefore, no further amendment is necessary to overcome this objection as claims 5-8, as they are currently pending, are not multiple dependent claims. Reconsideration and removal of this objection is respectfully requested.

### Claim Rejections Under 35 U.S.C. §112, Second Paragraph

The Examiner has rejected Claims 1-8 under 35 U.S.C. §112, second paragraph, as being indefinite. Applicants note that Claims 1-8 have been amended to overcome the Examiner's 35 U.S.C. §112, second paragraph, rejections. Reconsideration and removal of this rejection is respectfully requested.

### Claim Rejections Under 35 U.S.C. § 102(e)

The Examiner has rejected Claims 1-4 under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent No. 7,072,863 to Phillips *et al.* (“**Phillips**”). With respect to Claim 1, the Applicants note that the Examiner has argued that Phillips discloses Claim 1 exactly as it was written in the August 14, 2003 Preliminary Amendment and has copied Applicants' Claim 1, word-for-word, into the Office Action. The Examiner also argues that Claim 1 reads on the “Mean-Variance optimization (otherwise known as the Markowitz Portfolio Optimization Model)” but has neglected to cite any support for this statement. Additionally, with respect to Claims 2-3, the Examiner argues that Phillips discloses the use of three probability levels for defining control systems and for defining statistical scenarios, an average probability level equal to 50%, a minimum probability level and a maximum or higher probability level. The Examiner concludes by arguing, with respect to Claim 4, that Phillips discloses the number of statistical scenarios

constructed in accordance with the three probability levels.

It is well established that, for a reference to anticipate, it must describe the claimed invention in sufficient detail to place the public in possession of it. *In re Donahue*, 766 F.2d 531, 533 (Fed. Cir. 1985). This standard is met only if “a single, prior art document describe[s] every element of the claimed invention, either expressly or inherently, such that a person of ordinary skill in the art could practice the invention without undue experimentation.” *Advanced Displays Sys., Inc. v. Kent State Univ.*, 212 F.3d 1272, 1282 (Fed. Cir. 2000); *see also Elan Pharms., Inc. v. Mayo Found. for Med. Educ. & Research*, 346 F.3d 1051, 1057 (Fed. Cir. 2003).

Applicants respectfully traverse the Examiner’s rejections for the reasons stated herein. Phillips teaches a forecasting system that is used to predict or forecast future values of certain variables. *See, e.g.*, Phillips, col. 54, lines 21-23. More specifically, Phillips teaches a system which, by organizing the forecasts of many users, produces a forecast of one or more predetermined variables at a particular future point in time. The output data taught by Phillips thus relates to future predictions. Phillips discloses several methods that may be used to provide the forecasting values, such as combination forecasting via clusterization, forecasting via interpolation modeling, forecasting via Bayesian neural networks, and others. All of the methods disclosed by Phillips are consensus-based and thus depend on data to be supplied by numerous different sources. Additionally, and contrary to the Examiner’s argument, Phillips does not disclose the use of a global optimization algorithm.

#### Claim 1

In contrast to the disclosure of Phillips, Claim 1 of the present invention recites a method that produces a synthesis of historical data. Specifically, the method of Claim 1 recites a means by which historical data is synthesized to arrive at synthetic indices representing that historical data, inclusive of maximum indices and maximum indices of the historical data. Additionally, the invention recited in Claim 1 utilizes a global optimization algorithm to arrive at the synthetic indices.

Therefore Phillips fails to teach the processing of a non-linear programming algorithm so that it provides at least a maximum synthetic index (PROXYNTETICA max) and a minimum synthetic index (PROXYNTETICA min), as recited in Claim 1 as amended. Additionally, Phillips fails to teach the selecting of a non-linear programming algorithm for identifying global

optima, as recited in Claim 1. Phillips thus fails to recite each and every element of Claim 1 and therefore can not, and does not, anticipate Claim 1.

Applicants note further that, by reproducing Claim 1, word-for-word in the rejection, the Examiner has improperly used the instant application as a template for its own construction, which is impermissible hindsight. To draw on hindsight knowledge of the patented invention, when the prior art does not contain or suggest that knowledge, is to use the invention as a template for its own reconstruction -- an illogical and inappropriate process by which to determine patentability. *W.L. Gore & Assoc. v. Garlock, Inc.*, 721 F.2d 1540, 1553, 220 USPQ 303, 312-13 (Fed. Cir. 1983). The invention must be viewed not after the blueprint has been drawn by the inventor, but as it would have been perceived in the state of the art that existed at the time the invention was made. *Interconnect Planning Corp. v. Feil*, 774 F.2d 1132, 1138, 227 USPQ 543, 547 (Fed. Cir. 1985). In light of this and the foregoing argument, reconsideration and removal of this rejection is respectfully requested.

When making this rejection, the Examiner argued that Claim 1 reads on the "Mean-Variance optimization (otherwise known as the Markowitz Portfolio Optimization Model)" but has failed to cite any support for this statement. *Office Action*, page 9. When making this conclusory statement, the Examiner did not provide a citation or reference disclosing the "Mean-Variance optimization (otherwise known as the Markowitz Portfolio Optimization Model)" and did not point out how Claim 1 read upon this optimization, but rather made this argument based, apparently, solely on her personal knowledge. If the Examiner persists with this rejection, Applicants request that the Examiner provide an affidavit in accordance with 37 C.F.R. §1.104(d)(2), which requires that, when a rejection in an application is based upon facts within the personal knowledge of the Examiner, the data relied upon should be as specific as possible, and the reference must be supported, when called for by the Applicants, by the affidavit of the Examiner, such affidavit to be subject to contradiction or explanation by affidavits of the Applicants or other persons. Applicants also request the opportunity to respond to any such affidavit of the Examiner. Thus, an Examiner Affidavit is requested if the Examiner persists in asserting that Claim 1 reads on the "Mean-Variance optimization (otherwise known as the Markowitz Portfolio Optimization Model)".

### Claims 2-3

The Examiner has argued that Phillips, at columns 33-38, teaches the use of three probability levels for defining control systems and for defining statistical scenarios, an average probability level equal to 50%, a minimum probability level and a maximum or higher probability level. Applicants respectfully disagree. Contrary to the Examiner's contention, columns 33-38 of Phillips do not disclose the use of three probability levels for defining control systems and statistical scenarios, but rather columns 33-38 of Phillips disclose the use of point values of -2, -1, 0, 1 and 2 for users to rate the utility of certain resources (*see, e.g.*, Phillips, column 33, lines 49-60) and the use of a technique for rewarding "Proprietors" based upon the ranking of their "Soapboxes" that utilizes a scaled percentage of 5%, 10%, 20% and 40% (*see, e.g.*, Phillips, column 35, lines 40-60), not the use of three probability levels for defining control systems and statistical scenarios. Phillips therefore fails to teach the use of three probability levels for defining control systems and for defining statistical scenarios, as the Examiner contends, and thus fails to teach each and every element of Claims 2-3. Phillips therefore can not, and does not, anticipate Claims 2-3. Reconsideration and removal of this rejection is respectfully requested.

### Claim 4

As stated above, columns 33-38 of Phillips do not disclose the use of three probability levels for defining control systems and statistical scenarios, but rather columns 33-38 disclose the use of point values of -2, -1, 0, 1 and 2 for users to rate the utility of certain resources (*see, e.g.*, Phillips, column 33, lines 49-60) and the use of a technique for rewarding "Proprietors" based upon the ranking of their "Soapboxes" that utilizes a scaled percentage of 5%, 10%, 20% and 40% (*see, e.g.*, Phillips, column 35, lines 40-60). Phillips therefore fails to teach a number of statistical scenarios constructed in accordance with three probability levels as recited in Claim 4, as the Examiner contends, and thus fails to teach each and every element of Claim 4. Phillips therefore can not, and does not, anticipate Claim 4. Reconsideration and removal of this rejection is respectfully requested.

### Double Patenting

The Examiner has provisionally rejected Claims 1-8 on the ground of nonstatutory, obviousness-type double patenting as being unpatentable over claims 1-6 of copending U.S. Patent Application No. 11/078,310, arguing that Claims 1-8 of the present invention are not patentably distinct from claims 1-6 of copending U.S. Patent Application No. 11/078,310, and argues further that the copending Application is broader in scope than Claims 1-8 of the present invention. Applicants respectfully disagree with and traverse this provisional rejection, for the reasons stated herein.

An obviousness-type double patenting rejection is only appropriate where the conflicting claims are not patentably distinct from the reference claim(s) because the examined application claim(s) is either anticipated by, or would have been obvious over, the reference claim(s). *See, e.g., In re Berg*, 140 F.3d 1428, 46 USPQ2d 1226 (Fed. Cir. 1998); *In re Goodman*, 11 F.3d 1046, 29 USPQ2d 2010 (Fed. Cir. 1993); and *In re Longi*, 759 F.2d 887, 225 USPQ 645 (Fed. Cir. 1985). “Any obviousness-type double patenting rejection should make clear: (A) The differences between the inventions defined by the conflicting claims - a claim in the patent compared to a claim in the application; and (B) The reasons why a person of ordinary skill in the art would conclude that the invention defined in the claim at issue is anticipated by, or would have been an obvious variation of, the invention defined in a claim in the patent.” MPEP 804.

Applicants respectfully note that Claims 1-8 of the present invention and claims 1-6 of copending U.S. Patent Application No. 11/078,310 are directed to substantively different inventions. As stated above, independent Claim 1 of the present invention is directed to a means by which historical data is synthesized to arrive at synthetic indices representing that historical data, inclusive of maximum indices and maximum indices of the historical data. In contrast, independent claim 1 of copending U.S. Patent Application No. 11/078,310 is directed toward a method for creating forecasts of performance without the use of historical data. Based on these differences alone, a person having ordinary skill in the art, when comparing these two independent claims, would conclude that the invention defined in Claim 1 of the present application is not anticipated by, and is not an obvious variation of, claim 1 of copending U.S. Patent Application No. 11/078,310. Rather, the skilled artisan would recognize that these two applications are directed to separate and distinct methods. Applicants thus respectfully note that the provisional double patenting rejection issued by the Examiner in this application is improper;

reconsideration and removal of this rejection is respectfully requested.

Based at least upon the foregoing, Applicants believes that all pending claims are in condition for allowance and such disposition is respectfully requested at an early date. In the event that a telephone conversation would further prosecution and/or expedite allowance, the Examiner is invited to contact the undersigned.

Respectfully submitted,  
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